

FACTSHEET

Instructions: If a question does not apply, **DO NOT DELETE IT**, just put "NA". Please try to keep it to **ONE** page only. Submit **one original**, with your Request Form, to City Clerk.

TITLE: Sale of City-owned property
located at 1112 Washington Street

BOARD/COMMITTEE: None

APPLICANT: Urban Development Department

RECOMMENDATION: For

STAFF RECOMMENDATION: For

OTHER DEPARTMENTS AFFECTED: None aware of

SPONSOR: Urban Development

OPPONENTS: None known

REASON FOR LEGISLATION:

Article II, Section 2 of the City Charter provides that the sale of any real estate having a value in excess of \$10,000 must be authorized by City Council ordinance.

DISCUSSION / FINDINGS OF FACT:

The City of Lincoln is in the process of selling the property at 1112 Washington Street to a buyer who qualifies to purchase the property under the City's First Time Home Buyer's Program. The City acquired the property at a foreclosure/trustee's sale by the first lien holder on the property. The City had the 2nd lien on the property in an amount of \$46,507.61 of CDBG funds and wanted to protect its interest. The City was able to purchase the property for \$19,691.76 and is now able to sell it for \$89,000 thereby recouping our CDBG funds.

Since there are federal CDBG funds under a HUD housing program, we are required to sell the property to a buyer who meets the HUD guidelines. The buyer must meet the income guidelines of the First Time Home Buyer's program, and this buyer has met all of the necessary requirements to purchase the property. The property has been on the market for more than six months and it is in the best interest of the City to get the property sold.

The sale of the property will allow the City to recoup our \$66,199.37 investment, bring in program income, put the property back on the tax rolls and relieve the City of maintenance issues related to the property. For these reasons, we recommend approval of the sale.

POLICY OR PROGRAM CHANGE: ☐ Yes ☒ No

OPERATIONAL IMPACT ASSESSMENT: N/A

COST OF TOTAL PROJECT: \$66,199.37

RELATED ANNUAL OPERATING COSTS: \$3,109.78, for taxes, utilities and maintenance

SOURCE OF FUNDS:

CITY: No City Funds Were Used

NON-CITY: Federal Community Development Block Grant (CDBG) funds from Housing and Urban Development (HUD) to carry out the HUD goal of decent housing for low to moderate income households. The City of Lincoln is an Entitlement Jurisdiction for HUD funds and the Urban Development Department carries out the administration of these funds.

FACTSHEET PREPARED BY: Michelle Backemeyer

DATE: April 17, 2014

REVIEWED BY: David Landis, Steve Werthmann

DATE: April 17, 2014